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COLUMBIA, SOUTH CAROLINA

June 29, 2009

VIA ELECTRONIC FILING

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Public Service Commission of South Carolina
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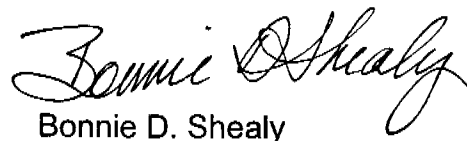
**Re: EnTelegent Solutions, Inc.
Docket No. 2009-133-C
Our File No. 30593-0001**

Dear Mr. Terreni:

Enclosed for filing please find the proposed Order Granting EnTelegent Solution Inc.'s application for a certificate of public convenience and necessity which was entered as a hearing exhibit in this morning hearing before Hearing Examiner Dong. By copy of this letter we are serving the same on all parties of record and providing Mr. Dong with a copy in Word format. If you have any questions, please have someone on your staff contact me.

Very truly yours,

ROBINSON, MCFADDEN & MOORE, P.C.


Bonnie D. Shealy

/bds
Enclosure

cc w/enc: Hearing Examiner Randall Dong (via email)
Shealy Boland Reibold, Esquire (via email & U.S. Mail)
Margaret M. Fox, Esquire (via email & U.S. Mail)
Mr. David Gibson (via email)
Mr. Carey Roesel (via email)
Ms. Sharon Thomas (via email)

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

DOCKET NO. 2009-133-C – ORDER NO. 2009-_____

Application of EnTelegent Solutions, Inc. for a)	
Certificate of Public Convenience and Necessity)	
to Provide Facilities Based Local Exchange and)	<i>PROPOSED ORDER GRANTING</i>
Resold Long Distance Telecommunications)	<i>CERTIFICATE AND APPROVING</i>
Services and for Flexible Regulation of its Local)	<i>FLEXIBLE AND MODIFIED</i>
Exchange Services and for Alternative)	<i>ALTERNATIVE REGULATION</i>
Regulation)	

This matter comes before the Public Service Commission of South Carolina ("Commission") by way of the Application of EnTelegent Solutions, Inc. ("EnTelegent" or the "Company") requesting a Certificate of Public Convenience and Necessity authorizing it to provide facilities-based and resold local exchange, access and interexchange telecommunications services within the State of South Carolina. The Company's Application was filed pursuant to S.C. Code Ann. §58-9-280 and the rules and regulations of the Commission. By its Application, EnTelegent also requests flexible regulation of its local exchange services offerings pursuant to Order No. 98-165 in Docket No. 1997-467-C, modified alternative regulation consistent with Commission Orders of its long distance business service, consumer card, and operator service offerings, and waiver of certain Commission regulations.

The Commission's Docketing Department instructed EnTelegent to publish, one time, a Notice of Filing in newspapers of general circulation in the areas of the state affected by the Application. The purpose of the Notice of Filing was to inform interested parties of the

Application of EnTelegent and of the manner and time in which to file the appropriate pleadings for participation in the proceeding. EnTelegent complied with this instruction and provided the Commission with proof of publication of the Notice of Filing. A Petition to Intervene was filed by the South Carolina Telephone Coalition ("SCTC"). Subsequent to the intervention, EnTelegent and SCTC reached a Stipulation, attached as Order Exhibit 2.

Subsequently, EnTelegent and ORS filed a Settlement Agreement, which is attached as Order Exhibit 1. A hearing was convened on June 29, 2009, at 10:00 a.m. in the offices of the Commission in Columbia, South Carolina, before Randall Dong, Hearing Examiner. EnTelegent was represented by Bonnie D. Shealy, Esquire. The Office of Regulatory Staff was represented by Shealy Boland Reibold. The South Carolina Telephone Coalition did not appear at the hearing.

David L. Gibson, Vice President of Operations for the Company, appeared by video conferencing and testified in support of the Application. The record reveals that EnTelegent is incorporated in North Carolina and has registered to transact business in South Carolina as a foreign corporation. According to Mr. Gibson, the company seeks authority to provide facilities-based and resold local exchange services, access services and interexchange services. Mr. Gibson explained the Company's request for authority, and the record further reveals the Company's services, operations, and marketing procedures. The Company will initially be provided to business customers. EnTelegent is a start-up company, and, as such, has not yet initiated operations in any state.

Mr. Gibson also discussed EnTelegent's technical, financial and managerial resources to provide the services for which it seeks authority. Mr. Gibson offered that EnTelegent is

financially able to support its operations in South Carolina. With regard to management and technical capabilities, the Company's Application and Mr. Gibson's testimony both evidence that EnTelegent's management team has a extensive experience in the telecommunications industry that will allow it to be a successful telecommunications carrier within the State of South Carolina. Mr. Gibson also testified that EnTelegent will operate in accordance with Commission rules, regulations, guidelines, and Commission Orders. Mr. Gibson offered that approval of EnTelegent's Application would serve the public interest by increasing the level of competition in South Carolina.

The Company requests a waiver of 26 S.C. Code Ann. Regs. 103-610 since the Company's books are maintained at its North Carolina headquarters. Further, the Company requests an exemption from record keeping policies that require maintenance of financial records in conformance with the Uniform System of Accounts ("USOA"). EnTelegent maintains its books in accordance with Generally Accepted Accounting Principles ("GAAP"). In addition, the Company requests that it not be required to publish local exchange directories, and therefore requests waiver of 26 S.C. Code Ann. Regs. 103-631.

After full consideration of the applicable law, the Company's Application, and the evidence represented at the hearing, the Commission hereby issues its findings of fact and conclusions of law:

FINDINGS OF FACT

1. EnTelegent is incorporated under the laws of the State of North Carolina and is authorized to do business as a foreign corporation in South Carolina by the Secretary of State.
2. EnTelegent desires to operate as a provider of facilities-based and resold local and

interexchange telecommunications services in South Carolina.

3. We find that EnTelegent possesses the managerial experience and capability to operate as a provider, on a facilities-basis or through resale, of both local and interexchange services in South Carolina.

4. We find, based on the financial statements submitted by the Company and the testimony at the hearing, that EnTelegent possesses sufficient financial resources to provide the services as described in its Application and testimony.

5. We find that the issuance of a Certificate of Public Convenience and Necessity to EnTelegent to operate as an interexchange and local exchange telecommunications service provider in South Carolina would be in the best interest of the citizens of South Carolina by increasing the level of competition in South Carolina, by providing an alternative source for telecommunications services, and by creating incentives for lower prices, more innovative services, and more responsive customer service.

6. EnTelegent has no current plans to maintain offices in South Carolina and requests a waiver of 26 S.C. Code Ann. Regs 103-610. The Commission finds EnTelegent's requested waiver reasonable and understands the difficulty presented to EnTelegent should the waiver not be granted. Further, we find that a waiver of 26 S.C. Code Ann. Regs. 103-610 to be in the public interest. We also believe that exemption from the policies that would require the Company to keep its records under the Uniform System of Accounts is reasonable. Additionally we find that a waiver of the requirement to publish a local exchange directory pursuant to 26 S.C. Code Ann. Regs. 103-631 is reasonable and in the public interest.

7. The Company has the managerial, technical, and financial resources to provide

the services as described in its Application. S.C. Code Ann. Section 58-9-280(B) (1) (Supp. 2008).

8. The Commission finds that the Company's "provision of service will not adversely impact the availability of affordable local exchange service." S.C. Code Ann. Section 58-9-280(B)(3)(Supp. 2008).

9. The Commission finds that the Company will support universally available telephone service at affordable rates. S.C. Code Ann. Section 58-9-280(B)(4) (Supp. 2008).

10. The Commission finds that services to be provided by the Company will meet the service standards of the Commission. S.C. Code Ann. Section 58-9-280(B)(2) (Supp. 2008).

11. The Commission finds that the provision of local exchange service by the Company "does not otherwise adversely impact the public interest." S.C. Code Ann. Section 58-9-280(B)(5) (Supp. 2008).

12. Following execution of a Stipulation with intervenor South Carolina Telephone Coalition ("SCTC"), the SCTC withdrew its opposition to the Application.

13. The Settlement Agreement between the Company and the ORS should be approved.

CONCLUSIONS OF LAW

1. The Commission concludes that EnTelegent possesses the managerial, technical, and financial resources to provide the telecommunications services as described in its Application.

2. The Commission concludes that EnTelegent will participate in the support of universally available telephone service at affordable rates to the extent that EnTelegent may be

required to do so by the Commission.

3. The Commission concludes that EnTelegent will provide services which will meet the service standards of the Commission.

4. The Commission concludes that approval of EnTelegent's Application to provide intrastate telecommunications services within South Carolina will serve the public interest by enhancing competition in the State of South Carolina, by offering additional service offerings to South Carolina's consumers, and by providing for efficient use of existing telecommunications resources.

5. The Commission concludes that the provision of telecommunications service by EnTelegent will not adversely impact the public interest.

6. The Commission concludes that the issuance of the authority to provide intrastate local exchange and interexchange telecommunications services as requested by EnTelegent and as set forth in its Application and Mr. Gibson's testimony is in the best interests of the citizens of the State of South Carolina.

7. The Commission concludes that a Certificate of Public Convenience and Necessity should be granted to EnTelegent to provide facilities-based local exchange telecommunications services and resold intrastate interexchange.

8. The Commission adopts a rate design for EnTelegent for its residential interexchange services which includes maximum rate levels for each tariff charge. A rate structure incorporating maximum rate levels with the flexibility for adjustment below the maximum rate levels has been previously adopted by the Commission. *In Re: Application of GTE Sprint Communications Corporation, etc.*, Order No. 84-622, issued in Docket No. 84-10-C

(August 2, 1984).

9. EnTelegent shall not adjust its residential interexchange rates below the approved maximum level without notice to the Commission and to the public. EnTelegent shall file its proposed rate changes, publish its notice of such changes, and file affidavits of publication with the Commission two weeks prior to the effective date of the changes. However, the public notice requirement is waived, and therefore not required, for reductions below the maximum cap in instances which do not affect the general body of subscribers or do not constitute a general rate reduction. *In Re: Application of GTE Sprint Communications, etc.*, Order No. 93-638, issued in Docket No. 84-10-C (July 16, 1993). Any proposed increase in the maximum rate level for residential interexchange services reflected in the tariff which would be applicable to the general body of the Company's subscribers shall constitute a general ratemaking proceeding and will be treated in accordance with the notice and hearing provisions of S.C. Code §58-9-540 (Supp. 2008).

10. The Commission concludes that EnTelegent's intrastate interexchange business telecommunications services shall be regulated in accordance with the principles and procedures established for alternative regulation of business service offerings set out in Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C. The Commission has previously granted this "alternative regulation" to competitive intrastate interexchange carriers operating within South Carolina, and the Commission concludes that the competitive marketplace requires the Commission to allow this flexible regulation to those carriers which request it. Specifically, the Commission-approved alternative regulation allows business service offerings, including consumer card services and operator services, to be subject to a relaxed regulatory scheme identical to that granted to AT&T

Communications in Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C. However, pursuant to Order No. 2001-997 (Docket No. 2000-407-C), this Commission has modified alternative regulation by the re-imposition of rate caps with regard to certain “operator-assisted calls” where a customer uses a local exchange carriers calling card to complete calls from locations which have not selected that local exchange carrier as the toll provider. Order No. 2001-997, dated November 8, 2001, imposed a maximum cap of \$1.75 for operator surcharges for such calls, and a maximum cap of \$.035 related to the flat per-minute rate associated with these calls. Under this relaxed regulatory scheme, tariff filings for business services shall be presumed valid upon filing. The Commission will have seven (7) days in which to institute an investigation of any tariff filing. If the Commission institutes an investigation of a particular tariff filing within the seven days, the tariff filing will then be suspended until further Order of the Commission.

11. The Commission concludes the Company’s local exchange telecommunications services shall be regulated in accordance with the principles and procedures established for flexible regulation first granted to NewSouth Communications by Order No. 98-165 in Docket NO. 97-467-C. Specifically, the Commission adopts for the Company’s competitive intrastate local exchange services a rate structure incorporating maximum rate levels with the flexibility for adjustment below the maximum rate levels approved by the Commission. Further, the company’s local exchange service tariff filings are presumed valid upon filing, subject to the Commission’s right within thirty (30) days to institute an investigation of the tariff filing, in which case the tariff filing would be suspended pending further Order of the Commission. Further, any such tariff filings will be subject to the same monitoring process as similarly situated competitive local exchange carriers.

12. We conclude that EnTelegent's request for waiver of 26 S.C. Code Ann. Regs. 103-610 should be granted as strict compliance with the regulation would cause undue hardship on EnTelegent. We also grant exemption from the policies requiring the use of USOA. In addition, we grant waiver of 26 S.C. Code Ann. Regs. 103-631 which requires publication of a local telephone directory.

13. The Stipulation and Settlement Agreement between the various parties should be approved.

IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED THAT:

A. A Certificate of Public Convenience and Necessity should be granted to EnTelegent to provide intrastate local exchange services and interexchange telecommunications services within the State of South Carolina.

B. The Company's rate designs for its products shall conform to those designs described in Conclusions of Law above.

C. If it has not already done so by the date of issuance of this Order, EnTelegent shall file its revised tariff and an accompanying price list for any applicable rates within thirty (30) days of receipt of this Order. The revised tariff should be electronically filed in a text searchable PDF format using the commission's DMS system (<http://dms.psc.sc.gov>). An additional copy should be sent via email to etariff@psc.sc.gov to be included in the Commission's ETariff System (<http://etariff.psc.sc.gov>). Future revisions to the tariff should be made using the ETariff System. The revised tariff shall be consistent with the findings of this Order and shall be consistent with the Commission's Rules and Regulations.

D. EnTelegent is subject to access charges pursuant to Commission Order No. 86-584, in which the Commission determined that for access purposes resellers and facilities-based interexchange carriers should be treated similarly.

E. With regard to the Company's resale of service, an end-user should be able to access another interexchange carrier or operator service provider if the end-user so desires.

F. EnTelegent shall resell the services of only those interexchange carriers or local exchange carriers authorized to do business in South Carolina by this Commission

G. With regard to the origination and termination of toll calls within the same LATA, EnTelegent shall comply with the terms of Order NO. 93-462, Order Approving Stipulation and Agreement, in Docket Nos. 92-182-C, 92-183-C, and 92-200-C (June 3, 1993), with the exception of the 10-XXX intraLATA dialing requirement, which has been rendered obsolete by the toll dialing parity rules established by the FCC pursuant to the Telecommunications Act of 1996 (See, 47 CFR 51.209). Specifically, EnTelegent shall comply with the imputation standard as adopted by Order No. 93-462 and more fully described in paragraph 4, of the Stipulation an Appendix B approved by Order No. 93-462.

H. EnTelegent shall file annual financial information in the form of annual reports and gross receipts reports as required by the Commission. The annual report and the gross receipt report will necessitate the filing of intrastate information. Therefore, EnTelegent shall keep financial records on an intrastate basis for South Carolina to comply with the annual report and gross receipts filings. The proper form for filing annual financial information can be found at the Commission's website at www.psc.sc.gov/reference/forms.asp or at the ORS's website at www.regulatorystaff.sc.gov. The title of this form is "Telecommunications Company Annual

Report.” This form shall be utilized by the Company to file annual financial information with the Commission and ORS and shall be filed no later than **April 1st**.

Commission gross receipts forms are due to be filed with the Commission and ORS no later than **August 31st** of each year. The proper form for filing gross receipts information can be found at the ORS website at www.regulatorystaff.sc.gov, and the appropriate form is entitled “Gross Receipts Form.”

Each telecommunications company certified in South Carolina is required to file annually with the ORS the Intrastate Universal Service Fund (“USF”) worksheet, which may be found on the ORS’s website at www.regulatorystaff.sc.gov. This worksheet provides ORS information required to determine each telecommunications company’s liability to the State USF fund. The Intrastate USF worksheet is due to be filed annually no later than **August 15th** with the Commission and ORS.

I. The Company shall, in compliance with Commission regulations, designate and maintain an authorized utility representative who is prepared to discuss, on a regulatory level, customer relations (complaint) matters, engineering operations, tests and repairs. In addition, the Company shall provide to the Commission and ORS in writing the name of the authorized representative to be contacted in connection with general management duties as well as emergencies which occur during non-office hours. EnTelegent shall file the names, addresses and telephone numbers of these representatives with the Commission within thirty (30) days of receipt of this Order. The “Authorized Utility Representative Information” form can be found at the Commission’s website at www.psc.sc.gov/reference/forms.asp; this form shall be utilized for the provision of this information to the Commission and ORS. Further, the Company shall

promptly notify the Commission and ORS in writing if the representatives are replaced.

J. The Company is directed to comply with all Rules and Regulations of the Commission, unless a regulation is specifically waived by the Commission.

K. EnTelegent requested a waiver of 26 S.C. Code Ann. Regs. 103-631 (Supp. 2008). In lieu of publishing local directories, EnTelegent informs the Commission that it will contract with the incumbent LECs to provide its customers with directory listings and distribution. The Commission finds this request reasonable and grants the requested waiver. Further, EnTelegent is granted a waiver of 26 S.C. Code Ann. Regs. 103-610 (Supp. 2008), which requires the Company to maintain its financial books and records within the State of South Carolina. EnTelegent is granted permission to maintain its financial books and records at its principal headquarters provided that EnTelegent makes its books and records available for examination upon request by the Office of Regulatory Staff. Further, the Commission acknowledges that EnTelegent shall maintain its financial records in conformance with GAAP. EnTelegent is directed to comply with all Rules and Regulations of the Commission unless a regulation is specifically waived by the Commission.

L. EnTelegent is required to comply with Title 23, Chapter 47 of the South Carolina Code Annotated, which governs the establishment and implementation of a "Public Safety Communications Center," which is more commonly known as a "911" system or "911 service." Services available through a 911 system include law enforcement, fire, and emergency medical services. In recognition of the necessity of quality 911 services being provided to the citizens of South Carolina, the commission hereby instructs EnTelegent to contact the appropriate authorities regarding 911 services in the counties and cities where the Company will be

operating, should the Company become interconnected to the public switched telephone network. Contact with the appropriate 911 service authorities is to be made before beginning local telephone service in South Carolina. Accompanying this Order is a memo from the State 911 Office of the Office of Research & Statistics of the South Carolina Budget and Control Board. This memo provides information about contacting County 911 coordinators. By this Order and prior to providing local telephone services in South Carolina, EnTelegent shall contact the 911 coordinator in each county (and city where the city has its own 911 system) and shall provide information regarding the Company's operations as required by the 911 system.

M. The Stipulation and Settlement Agreement between the various parties are hereby approved.

N. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

Elizabeth B. Fleming, Chairman

ATTEST:

John E. Howard, Vice-Chairman

(SEAL)

**BEFORE
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA
DOCKET NO. 2009-133-C**

APPLICATION OF ENTELEAGENT SOLUTIONS, INC.)
FOR A CERTIFICATE OF PUBLIC CONVENIENCE)
AND NECESSITY TO PROVIDE FACILITIES BASED)
LOCAL EXCHANGE AND RESOLD LONG)
DISTANCE TELECOMMUNICATIONS SERVICES)
AND FOR FLEXIBLE REGULATION OF ITS LOCAL)
EXCHANGE SERVICES AND ALTERNATIVE)
REGULATION OF ITS LONG DISTANCE)
SERVICE OFFERINGS)
_____)

CERTIFICATE OF SERVICE

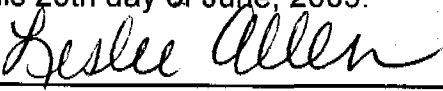
This is to certify that I, Leslie Allen, a legal assistant with the law firm of Robinson, McFadden & Moore, P.C., have this day caused to be served upon the person(s) named below the **Order Granting EnTeleagent Solution Inc.'s Application** in the foregoing matter by having a copy of same via electronic mail and first class U.S.

Mail in an envelope to:

Shealy Boland Reibold, Staff Attorney
Office of Regulatory Staff
1401 Main Street, Suite 900
Columbia, South Carolina 29201

Margaret M. Fox, Esquire
McNair Law Firm, P.A.
Post Office Box 11390
Columbia, South Carolina 29211

Dated at Columbia, South Carolina this 29th day of June, 2009.



Leslie Allen